



February 28, 2006

House Agriculture Committee
Chairman Neal Nitz
PO Box 30014
Lansing MI 48909-7514

Dear Chairman Nitz:

I am writing this letter on behalf of the Michigan Corn Growers Association to express our support of the renewable fuels package in the Michigan House of Representatives. This package is based on the belief that the primary problem in Michigan is not production of renewable fuels, but the availability of product at the retail level. The bills in this package support Michigan grown fuels that are better for our environment, lead to economic growth and will help in reducing our state's dependence on foreign oil.

The Michigan Corn Growers Association supports all of the bills in the package.

1) Motor fuel tax exemption

Currently there are five stations in Michigan selling E85. There is also a push from automakers to make additional E85 capable vehicles available in the marketplace. As we develop vehicle capability, we also need to develop infrastructure and ensure the pricing of the fuel is competitive. E85 vehicles are built to run on unleaded gasoline at 87 octane and E85 which is about 105 octane. There are some modifications when these vehicles are built so they are flexible and can utilize both fuels.

2) Require State fleet FFVs to use E85

Due to federal requirements, 75 percent of light duty State vehicles purchased must be capable of running on E85. Currently the State of Michigan has approximately 1,500 of these vehicles operating on roadways. Unfortunately very few of these State vehicles are running on E85. By increasing E85 availability across the State of Michigan and at the State fleet garage in Lansing, State employees can be leaders on the road to energy independence by utilizing the homegrown renewable fuel, ethanol.

3) Giving gas stations the tools to deliver

This bill will help to create a very much needed E85 infrastructure throughout the state by providing stations with state matching grants. By helping gas stations with the initial costs incurred from switching pumps from regular unleaded to E85, availability of this fuel will increase throughout the state. Consumer acceptance of the fuel will only be seen if E85 is widely available as an alternative to unleaded.

4) Promotion of biofuels

Currently our state has very few informational outlets for consumers and industry to gain information on ethanol, with our office being a primary leader in providing ethanol education. It is time our state's leaders devise a plan to encourage the use of ethanol so our state's consumers can better understand and make educated decisions every time they fill up at the pump.

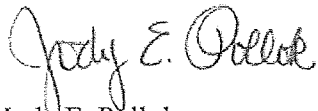
5) Amend the Michigan Renaissance Zone Act by creating 10 new alternative energy targeted renaissance zones

Our state will soon have five operational ethanol plants with the ability to produce approximately 250 million gallons of ethanol per year and each of these plants has been given the designation of a Michigan Agricultural Renaissance zone. The extension of this legislation would support the further exploration and production of alternative fuels in Michigan.

The passage of this renewable fuels package will not only increase the availability of renewable clean burning fuels to consumers in the state, but it will also help in growing the ethanol industry which will benefit rural areas by creating more jobs and business opportunities and provide corn farmers with additional markets for their crops. We are supportive of the entire renewable fuels package as it provides an additional processing opportunity for the over 250 million bushels of corn grown on over 13,000 farms across the State of Michigan.

Thank you for your consideration of our request for your support of the renewable fuels package. If you have any questions, or if we may be of assistance, please do not hesitate to contact me at 517-668-2676.

Sincerely,



Jody E. Pollok
Executive Director
Michigan Corn Growers Association